

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE PUBLIC UTILITIES COMMISSION

In the Matter of the Joint Petition for
Approval of Transfer of Transmission
Assets of Interstate Power and Light
Company and ITC Midwest LLC

FIRST PREHEARING ORDER

A prehearing conference was held before Beverly Jones Heydinger, Administrative Law Judge, on July 2, 2007, at the Public Utilities Commission, 350 Metro Square Building, 121 Seventh Place East, St. Paul, Minnesota.

Appearances:

Kent M. Ragsdale and Jennifer S. Moore, Alliant Energy Corporate Services, Inc., P.O. Box 351, 200 First Street SE, Cedar Rapids, IA 52406-0351, and Michael J. Bradley and Richard J. Johnson, Moss & Barnett, 4800 Wells Fargo Center, 90 South Seventh Street, Minneapolis, MN 55402-4129, appeared on behalf of the Applicant Interstate Power and Light Company (IPL).

Lesley J. Lehr and Gregory R. Merz, Gray, Plant, Mooty, Mooty & Bennett, P.A., 500 IDS Center, 80 South Eighth Street, Minneapolis, MN 55402-3796, appeared on behalf of the Applicant ITC Transmission Corporation (ITC).

Julia Anderson, Assistant Attorney General, 445 Minnesota Street, Suite 1400, St. Paul, MN 55101, appeared on behalf of the Department of Commerce (Department).

Ronald M. Giteck, Assistant Attorney General, Steve Alpert, Assistant Attorney General, and Clark Kaml, Financial Analyst, 445 Minnesota Street, Suite 900, St. Paul, MN 55101, appeared on behalf of the Attorney General's Office, Residential Utilities Division (OAG/RUD).

Christopher D. Anderson, Associate General Counsel, Minnesota Power, 30 West Superior Street, Duluth, MN 55802, appeared on behalf of Minnesota Power.

Benjamin L. Porath, Director, System Operations, 3200 East Avenue S, P.O. Box 817, La Crosse, WI 54602-0817, and Jeffrey L. Landsman and Denis R. Vogel, Wheeler, Van Sickel & Anderson, S.C., 25 West Main Street, Suite

801, Madison, WI 53703, appeared on behalf of Dairyland Power Cooperative (Dairyland).

Chris Duffrin, 823 7th Street East, St. Paul, MN 55106, appeared on behalf of Energy CENTS Coalition (Energy Cents).

Dan L. Sanford, American Transmission Company LLC, N19 W23993 Ridgeview Parkway West, P.O. Box 47, Waukesha, WI 53187-0047 and Jim Bertrand and Brian M. Meloy, Leonard Street and Deinard, 150 South Fifth Street, Suite 2300, Minneapolis, MN 55402, appeared on behalf of American Transmission Company LLC (ATC).

B. Andrew Brown and Sarah J. Kerbeshian, Dorsey & Whitney, LLP, 50 South Sixth Street, Suite 1500, Minneapolis, MN 55402, appeared on behalf of Southern Minnesota Municipal Power Agency (SMMPA).

Priti R. Patel, Assistant General Counsel, Xcel Energy, 414 Nicollet Avenue, 5th Floor, Minneapolis, MN 55401, appeared on behalf of Northern States Power d/b/a Xcel Energy (Xcel Energy).

William J. Black, Minnesota Municipal Utilities Association, 3025 Harbor Lane North, Suite 400, Plymouth, MN 55447-5142 and Cynthia S. Bogorad, David E. Pomper and Rebecca J. Baldwin, Spiegel and McDiarmid, 1333 New Hampshire Avenue Northwest, Washington, D.C. 20036, appeared on behalf of Municipal Coalition.

Donna Stephenson, Attorney at Law, 17845 East Highway 10, P.O. Box 800, Elk River, MN 55330, appeared on behalf of Great River Energy.

Commission staff Louis Sickmann and Chris Fittipaldi, Financial Analysts were present.

Discussion was held among the participants concerning the proposed schedule. The Administrative Law Judge makes the following Prehearing Order.

IT IS HEREBY ORDERED:

Intervention

1. The parties to this matter as named in the Commission's Notice and Order for Hearing issued June 19, 2007, were IPL, ITC, the Department and the OAG/RUD. Petitions to intervene were filed with the Administrative Law Judge by Dairyland, SMMPA, ATC and Xcel Energy. None of the parties objected to the intervention petitions. The Petitions for Intervention of Dairyland, SMMPA, ATC and Xcel Energy are **GRANTED**.

2. Minnesota Power filed a petition for intervention to which the OAG/RUD objected. At the Prehearing Conference, Minnesota Power amended

its petition to request addition to the service list only, and OAG/RUD had no objection. Minnesota Power's request to be added to the service list is **GRANTED**.

3. Energy Cents requested addition to the service list only. Its request was **GRANTED**.

4. Additional petitions to intervene must be filed no later than **July 9, 2007**. Any party objecting to the petition shall file its objection within seven days of receipt.

Schedule

5. The following schedule is adopted:

Applicants' Initial Testimony	Filed June 22, 2007
Non-Applicants, Initial Testimony	August 6, 2007
Rebuttal	August 20, 2007
Evidentiary Hearing	August 27-31, 2007
Applicants' Post-hearing Brief	September 14, 2007
Responsive Briefs	September 28, 2007
Reply Briefs, if any	October 5, 2007

Reply Briefs are limited to issues raised for the first time in the Responsive Briefs.

6. The hearing will be held at the Department of Education Conference Center A, 1500 Highway 36 West, Roseville, MN 55113.

7. The hearing will commence at **10:00 a.m.** on **August 27, 2007**. Parties that intend to offer exhibits into the hearing record shall appear at **9:30 a.m.** to have the court reporter number the exhibits.

Discovery

8. A party may serve requests for information on any other party. All requests for information shall be made in writing by e-mail and a copy of the request shall be sent by regular U.S. mail or other delivery service to all parties. To the extent that a request includes material designated as Trade Secret or Nonpublic under the Minnesota Government Data Practices Act, Chapter 13, an e-mail request is required only between the requesting and responding party. Requests shall be sent to the person(s) designated to receive data requests by the party from whom the information is sought. Any request received by e-mail after 4:30 p.m. on a business day, on a weekend day, or on a Minnesota state holiday is considered received on the next business day.

9. The party responding to the request shall provide the requested information to the requesting party within eight days of receipt of the request. A

business day does not include weekend days and Minnesota state holidays. In accordance with Minn. R. 1400.6100, subpt. 1, the day that the information request is received is not counted in the eight-day period. If the request is received after 4:30 on a business day, the following business day is also not counted in the calculation of the eight-day response period.

10. Responses to information requests shall be submitted by e-mail, and the responding party shall follow the e-mail with a copy of the response sent by regular U.S. mail or other delivery service. To the extent that a response includes material designated as Trade Secret or Nonpublic, an e-mail response is required only between the requesting party and the responding party. Any response received before 4:30 p.m. on a business day is considered to be received on the same day. Any response that is received after 4:30 on a business day is considered to be received the following business day.

11. In the event that due to the volume or nature of information included in a response, the responding party is unable to send the response by e-mail, the responding party shall send the response by facsimile, regular U.S. mail or other delivery service so that the requesting party receives the entire response including any material designated as Trade Secret or Nonpublic by the date due. Responding parties may utilize CDs to convey large volumes of data. If the response is sent by facsimile, the responding party shall follow the facsimile with a copy of the response sent by regular U.S. mail or other delivery service. There shall be a continuing obligation to update and supplement information responses with any responsive material that may subsequently be discovered or acquired by the responding party. The responsive information need not be supplied to other parties unless specifically requested by a party.

12. A party that wishes to receive e-mail copies of requests or responses shall notify the requesting/responding party, who shall provide the information in that format. If the request or response contains material designated as Trade Secret or Nonpublic information, the providing party may require that the requesting party comply with the terms of the Protective Order in this matter before providing the information.

13. In the event the information cannot be supplied within eight business days, the responding party shall notify the requesting party as soon as reasonably possible in advance of the deadline of the reasons for not being able to supply the information and to work out a schedule of compliance with the requesting party.

14. All disputes concerning the reasonableness of discovery requests and the timing and sufficiency of responses shall be resolved by the Administrative Law Judge upon motion of a party. Hearings on such motions may be conducted by telephone conference call.

Prefiled Testimony

15. Prefiled testimony shall be marked as an exhibit and offered for admission into the record at the hearing. A hard copy shall be provided for that purpose and the offering party shall provide the unique E-file identifying number. The Administrative Law Judge will assign a hearing exhibit number to the document at the time that it is offered for admission at the hearing.

16. Prefiled testimony that is amended, or not offered into the record, shall be considered withdrawn and no witness shall be cross-examined concerning the withdrawn testimony. Any new affirmative matter that is not offered in reply to another party's direct case will not be allowed in rebuttal testimony and exhibits. Except for good cause shown, all revisions or corrections to any prefiled testimony shall be in writing and served upon the Administrative Law Judge and the parties no later than three days prior to the commencement of the evidentiary hearing.

Order of Testimony

17. Unless the parties agree otherwise, the order of testimony shall be: Applicants, Dairyland, SMMPA, ATC, Xcel Energy, other intervenors, (in order of intervention), OAG/RUD, and the Department of Commerce. Questioning of the witnesses shall proceed in the same order, subject to change by agreement of the parties or further order of the Administrative Law Judge.

18. If a witness needs a day certain to offer testimony, the sponsoring party should submit a request to the Administrative Law Judge and other parties.

Examination of Witnesses

19. Witnesses shall be allowed ten minutes to summarize their prefiled testimony. Because of the short timetable for the prefiling of testimony, witnesses will also be permitted to respond to any new matters raised in Rebuttal Testimony through direct examination by counsel.

20. Parties shall examine and cross-examine witnesses through their attorneys, if they are represented by counsel. Any party not represented by counsel may examine and cross-examine each witness through any one representative chosen by the party.

21. Except for good cause shown, objections by any party relative to the qualifications of a witness or the admissibility of any portion of a witness's prefiled testimony (except rebuttal testimony) shall be considered waived unless the objecting party states its objection by motion made to the Administrative Law Judge, and serves a copy of such objections on the parties, no later than **August 13, 2007**. Objections to rebuttal testimony shall be filed and served no later than **August 20, 2007**.

Procedure

22. The rules of the Office of Administrative Hearings govern the conduct of the hearings, and the Professionalism Aspirations adopted by the Minnesota Supreme Court will be observed.

Filing of Documents (Excluding Information Requests and Responses)

23. Prefiled testimony and exhibits may be in any reasonable format that is understandable, logically organized, and capable of being cited by page and line number, paragraph number, or similar identifier.

24. The parties, including intervenors, have agreed to file all documents, including prefiled testimony, using the E-File system of the Public Utilities Commission, the Department and the Office of Administrative Hearings. Such E-filing constitutes service on those offices and upon any other party that has agreed to accept E-filing as service.

25. The original document shall be filed using the E-file system wherever feasible. Otherwise, the original document shall be filed by delivery or mail with the Administrative Law Judge.

26. The effective date of filing shall be the date the document is E-filed, mailed by U.S. Mail, or delivered to the Administrative Law Judge. Parties using the E-filing system must retain the unique document identifier as proof of service through that system. Proof of service shall be filed with each document or within three business days thereafter.

27. With the exception of trade secret and other nonpublic data, copies of all documents that are filed shall be served by e-mail according to the attached service list by 3:00 p.m., and a hard copy shall also be mailed or delivered that day to the persons so indicated on the official service list. The list will be revised as necessary by the Office of Administrative Hearings.

28. Hard copies of trade secret and other nonpublic data shall be transmitted by U.S. Mail or courier to the parties who have signed Exhibit A to the Protective Agreement and Order. Such documents may be served on the next business day following the filing of the public version.

29. After the Administrative Law Judge's Report is issued, the parties shall file the original of all documents with the Executive Secretary of the Commission.

30. If trade secret or nonpublic data is filed with the Administrative Law Judge, it shall be prepared and marked in accordance with the Public Utilities Commission's September 1, 1999, Revised Procedures for Handling Trade Secret and Privileged Data. The procedures may be viewed at

www.puc.state.mn.us/docs/tradsecret.pdf. Access to nonpublic data shall be governed by the Protective Agreement and Order issued in this proceeding.

Public Comment

31. The Commission has directed IPL to notify its customers of its proposal to sell its transmission assets, and provide information about its proposal. Comments should be filed with the Administrative Law Judge on or before **September 10, 2007**.

Court Reporter

32. The Office of Administrative Hearings will arrange to have a court reporter present at the hearing. Parties must make arrangements with the Court Reporter to obtain a copy of the transcript.

Request for Accommodation

33. No person has requested accommodation for a disability or appointment of an interpreter. The Office of Administrative Hearings shall be notified promptly if either an accommodation or interpreter is needed.

Subpoenas

34. Requests of subpoenas for the attendance of witnesses or the production of documents shall be made in writing to the administrative law judge pursuant to Minn. R. 1400.7000. A copy of the subpoena request shall be served on the other parties. A subpoena request form is available at www.oah.state.mn.us.

Dated this 5th day of July, 2007.

/s/ Beverly Jones Heydinger
BEVERLY JONES HEYDINGER
Administrative Law Judge